

Requested by: Senators Hoyle, Kerr, Representatives Gray, Brawley, Dickson, C. Wilson

CONTINUING CARE RETIREMENT HOMES EXEMPT

Section 29A.18. (a) G.S. 105-275(32) is recodified as G.S. 105-278.6A and reads as rewritten:

"§ 105-278.6A. Qualified retirement facility.

(a) Classification. -- ~~Real and personal property owned by a home for the aged, sick, or infirm, that is exempt from tax under Article 4 of this Chapter,~~ qualified retirement facility and used in the operation of that home- ~~facility is designated a special class of property under Section 2(2) of Article V of the North Carolina Constitution and shall not be listed, assessed, or taxed.~~

(b) Facility Defined. -- As used in this section, the term 'retirement facility' means a ~~The term "home for the aged, sick, or infirm" means a self-contained community that meets all of the following conditions:~~

- (1) Its grounds and buildings are at a single site.
- (2) It (i) is designed for elderly residents; (ii) residents.
- (3) It includes independent living units for elderly residents.
- (4) ~~operates~~ It includes a skilled nursing facility, an intermediate care facility, or a home for the aged; (iii) facility or an adult care facility.

~~includes residential dwelling units, recreational facilities, and service facilities; (iv) the charter of which~~

(c) Qualification. -- A retirement facility qualifies for the benefits of this section if it meets all of the following conditions:

- (1) It is exempt from tax under Article 4 of this Chapter and private shareholders do not benefit from its operations.
- (2) All of its revenues, less operating and capital expenses, are applied to providing uncompensated goods and services to the elderly and to the local community, or are applied to an endowment or a reserve for these purposes.
- (3) Its charter provides that in the event of dissolution, its assets will revert or be conveyed to an entity that is organized exclusively for charitable, educational, scientific, or religious purposes, and which qualifies as is an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986; section 501(c)(3) of the Code.

~~(v) is owned, operated, and managed by one of the following entities:~~

- a. ~~A congregation, parish, mission, synagogue, temple, or similar local unit of a church or religious body;~~
- b. ~~A conference, association, division, presbytery, diocese, district, synod, or similar unit of a church or religious body;~~
- c. ~~A Masonic organization whose property is excluded from taxation pursuant to G.S. 105-275(18); or~~
- d. ~~A nonprofit corporation-~~

- (4) Its charter or bylaws, as they existed on August 15, 1998, provide that it is governed by a board of directors or trustees at least a majority of whose members elected for terms commencing on or before December 31, 1987, shall have been elected or confirmed